GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:1898
ANSWERED ON:11.12.2008
HIKE IN PRICES OF ATF
Danve Shri Raosaheb Patil;Dhotre Shri Sanjay Shamrao

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the percentage of increase effected in the prices of Aviation Turbine Fuel(ATF) by the petroleum companies in the country;

(b) whether the Government is aware that common man is not preferring air travel and the number of air passengers is also decreasing due to the rising price of fuel; and

(c) if so,the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION(SHRI PRAFUL PATEL)

(a):- Aviation Turbine Fuel(ATF) is a deregulated product.ATF price revisions are determined by the public sector Oil Marketing Companies on commercial considerations based on international prices of Jet fuel.Revision in prices was made earlier on monthly basis and now on fortnightly basis,either upwards or downwards,depending on international price fluctuations.Presently ATF price has come down to almost 50% of the peak in August,2008.

(b)and(c):- Yes,Sir.Passengers carried by domestic airlines from January to October,2008 were 346.81 lakhs as against 353.67 lakhs in the corresponding period of 2007.Domestic Airlines carried 31.80 lakhs passengers in the month of October,2008 as compare to 36.01 lakhs in the month of October,2007.ATF is a major component of operational cost of the Airlines.Airlines raised fare due to rise in prices of ATF.Now,with decreasing prices of ATF the Airlines have started reducing fares.However,passenger traffic is also affected by the global financial downturn of the economy.